



# Dividend Reinvestment Plan

EASTPACK LIMITED  
OFFER DOCUMENT  
29 September 2020

This Document is  
Important

If you do not understand it or are in  
any doubt as to how to act, you  
should consult your Financial  
Adviser Immediately

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## Key features

EastPack Limited has established a Dividend Reinvestment Plan (the **Plan**) which offers you the opportunity to reinvest dividends received on some or all of your existing Shares into Additional Shares.

This Offer Document explains how the Plan operates and the terms and conditions of participation.

Capitalised terms used in this Offer Document have the meaning set out in the Definitions on page 10.

### **Shares in place of Cash Dividends**

The Plan provides you with an opportunity, at your election, to reinvest some or all of the net proceeds of cash dividends payable on your Shares in further Shares of the Company. This is a convenient method for you to increase your investment in the Company.

### **Eligibility**

You are eligible to participate in the Plan if, as at 5:00pm on the Record Date:

- You hold Shares; and
- You are resident in New Zealand; and
- You either hold your Shares directly or hold your Shares indirectly through a nominee whose address is recorded on the Company's share register as being in New Zealand.

### **Full or Partial Participation**

You may elect to participate in this Plan in respect of some or all of your Shares. Your participation in the Plan will apply from the first Record Date which occurs after your

Participation Notice is received.

Participation in the Plan is entirely optional. If you do not wish to participate in the Plan, you do not need to do anything. If you do not participate in the Plan you will continue to receive cash dividends paid on all of your Shares.

If you change your mind at a later date and wish to participate in the Plan, you can do so by completing a Participation Notice and returning it to the Share Registrar.

### **Statements to Participants**

If you elect to participate in the Plan the Company will send you, as soon as practicable after each dividend payment date, a statement containing details of your total entitlement and the number of Additional Shares issued to you under the Plan.

### **Shares Rank Equally**

Additional Shares issued under the Plan will from the date of issue rank equally in all respects with each other and with all other existing Shares on issue as at that date.

### **Flexible Joining, Variation and Withdrawal Arrangements**

You can join the Plan, vary your participation, or withdraw from the Plan at any time at your discretion. Any variation or withdrawal will take effect on the first Record Date after receipt of your new Participation Notice or Notice of Change or Withdrawal.

### **Directors Discretion**

The Directors have complete discretion to terminate, suspend or modify the Plan at any time, including the discretion to determine that the Plan will not apply to a particular dividend, or will not apply to some of a particular dividend (rather than all), the result being that some or all of that dividend will be paid in cash instead of the Plan applying.

# Terms and Conditions

## 1. Introduction

- a) This Offer Document sets out the terms and conditions of the Plan.
- b) The Plan enables you, at your election, to reinvest some or all of the net proceeds of cash dividends payable on your fully paid Shares by acquiring Additional Shares, rather than receiving cash payments.
- c) This Offer Document has been prepared as at 29 September 2020 and, pursuant to the Constitution, has been adopted by the Company.

## 2. Participation in the Plan

- a) Participation in the Plan is optional and, subject to clause 4, open to all Shareholders. Participation may be terminated, suspended or modified by the Directors at any time in accordance with clause 15.
- b) Minimum participation in the Plan is the lesser of 2,000 Shares or the total number of Shares held by you.
- c) Normal cash dividend payments (if payable) will be made to those Shareholders not participating in the Plan.

## 3. Exclusion where Liens or Charges over Shares

Any Shares over which the Company has a lien or charge in accordance with the Constitution or other requirements of law will not be eligible to participate in the Plan.

## 4. Overseas Shareholders

- a) The Directors, in their sole discretion, have elected not to offer participation in the Plan to Shareholders whose registered address is outside New Zealand as the Directors consider that to do so would risk breaching the laws of places outside New Zealand or it would be unreasonable having regard to the associated costs of ensuring that the laws of those places are complied with. The Directors may, in their sole discretion, elect to amend this policy at any time.
- b) If you are not resident in New Zealand and hold Shares through a New Zealand resident nominee you should not allow your nominee to participate in the Plan if participation in respect of your Shares would be contrary to the laws of your country of residence.
- c) If you reside outside New Zealand and participate in the Plan through a New Zealand resident nominee you will be deemed to represent and warrant to the Company that you can lawfully participate in the Plan through your nominee. The Company accepts no responsibility for determining whether you are able to participate in the Plan under laws applicable outside of New Zealand.

## 5. Method of Participation

- a) Election to Participate in the Plan must be made on the prescribed Participation Notice, which accompanies this Offer Document.

Shareholders who subsequently decide that they would like to participate in the Plan can download the Participation Form and Offer Document from the EastPack website or elect participation online at [www.investorcentre.com/nz](http://www.investorcentre.com/nz)

If the Participation Form does not indicate the level of participation or indicates a level of participation in excess of the number of Shares then held by that Shareholder, it will be deemed to be an application for full participation if the Participation Form is otherwise correctly completed and signed

- b) You should complete the Participation Notice in accordance with its instructions and mail or email the completed Participation Notice to the Share Registrar:

EastPack Limited  
c/- Computershare Investor Services Limited  
Private Bag 92119  
Victoria Street West  
Auckland 1142  
New Zealand

Scan and email:

[drp@computershare.co.nz](mailto:drp@computershare.co.nz)

## 6. Participation applies from first Record Date

Participation will be effective as to dividends payable in relation to the first Record Date after receipt by the Company of a correctly completed Participation Notice. Participation will continue for all future dividends to which the Plan applies in accordance with this Offer Document (unless you vary your participation in the Plan in accordance with clause 16).

## 7. Degree of Participation

- a) Shareholders may elect to participate in the Plan by exercising one of the following options:
- (i) **Full Participation** – If you elect full participation, participation in the Plan will apply to all Shares registered in your name on a Record Date.
  - (ii) **Partial Participation** – If you elect partial participation, only the number of Shares nominated by you will be eligible for participation in the Plan provided that at least 2,000 Shares are participating.
- b) If you do not wish to participate in the Plan and you instead wish to receive dividends or distributions in respect of your Shares in cash you are not required to do anything.
- c) Partial participation applies only to the number of Shares nominated by you in a Participation Notice. However, if at the relevant Record Date the number of Shares held by the Participant is less than the nominated number of Shares, then the provisions of the Plan will only apply to such lesser number of Shares.
- d) If the Participation Notice does not indicate the degree of participation, it will be deemed by the Directors to be an application for full Participation provided it is otherwise correctly completed and signed.

## 8. Operation of the Plan

### a) Issue of Additional Shares

The Directors will, on the day that a Shareholder who has elected to participate in the Plan would otherwise have been paid the net proceeds of a dividend or distribution, issue the Additional Shares to that Shareholder in accordance with clause 9.

### b) Terms of Issue and Ranking of Additional Shares

The Additional Shares issued to Shareholders under the Plan will, from the date of issue, rank equally in all respects with each other and with all other Shares of the Company on issue as at that date.

### c) Sharemart Trading

The Company does not intend to quote Additional Shares issued under the Plan on a licensed market in New Zealand, however they may be able to be traded on Sharemart, a trading system developed by the Share Registrar which matches buyers and sellers of Shares. This means you may be able to sell them on Sharemart if there are interested buyers.

## 9. Additional Share Entitlement

a) The Directors must ensure that:

- (i) at the time the price of Additional Shares is set, the Company has no information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of Shares if the information were publicly available; and
- (ii) subject to clause 4, every holder of Shares to whom Additional Shares are offered is given a reasonable opportunity to accept the offer; and
- (iii) the Additional Shares issued to each holder of Shares are:
  - (1) issued on the terms disclosed to the holder; and
  - (2) subject to the same rights as the Additional Shares issued to all holders of Shares who agree to receive Additional Shares.

b) If you elect to participate in the Plan, the number of Additional Shares to be issued to you will be:

- (i) based on the net proceeds of the dividend or distribution you would otherwise have received; and
- (ii) calculated on the basis that the issue price of the Additional Shares will be determined from time to time by the Directors at their absolute discretion.

c) If you elect to participate in the Plan, the number of Shares to be issued to you will be calculated in accordance with the following formula:

$$N = \frac{S \times D}{\text{Strike Price}}$$

Where:

**N** is the number of Additional Shares to be issued to a Participant;

**S** is the number of Participating Shares registered in the name of the Participant at the Record Date;

**D** is the net amount after deduction of any New Zealand or other withholding taxes (expressed in cents and fractions of cents) per Share, which would otherwise have been payable to the Participant in cash if a Participation Notice had not been given or deemed to have been given

by the Participant; and

**Strike Price** is the issue price of Shares fixed by the Directors at such time and in such manner as they consider appropriate.

#### **10. Fractional entitlements**

Where the number of Additional Shares calculated in accordance with the formula in clause 9 includes a fraction, then the number of Additional Shares to be acquired by a Participant will be the nearest whole number. If such fraction is exactly one half, that number of Shares will be rounded up to the next whole number. Any net amount per Share as described as D in clause 9 which are not applied to acquire an Additional Share because of the application of this clause 9 will be retained by the Company for its sole benefit and will not be refunded or paid to a Participant, or held by the Company or the Share Registrar on behalf of a Participant.

#### **11. Compliance with Laws and Constitution**

- a) The Plan will not operate in relation to a dividend to the extent that the allotment or issue of Additional Shares under the Plan would breach any applicable law, or any provision of the Constitution.
- b) To the extent that the Plan does not operate for such reason, the relevant dividend on Participating Shares will, until such time as the issue is resolved, be paid or distributed in the same manner as to Shareholders not participating in the Plan. You will not be paid interest on any such payment.

#### **12. Statements to Participants**

The Company will send to each Participant, as soon as practicable following each dividend payment date, a statement detailing in respect of that Participant:

- (i) the number of Participating Shares as at the relevant Record Date;
- (ii) the amount of cash dividend used to subscribe for Shares and the amount paid in respect of Participating Shares and non-Participating Shares (if applicable);
- (iii) the issue price and number of Additional Shares allotted and/or transferred under the Plan;
- (iv) the amount of any taxation deductions or withholding tax and advice as to the amount of any imputation or taxation credits in respect of the cash dividend; and
- (v) such other matters required by law with respect to dividends and/or investments.

#### **13. Costs to Participants**

There are no charges for participation in or withdrawal from the Plan. No brokerage or commission costs will be payable by a Participant in respect of the issue of Additional Shares under the Plan.

#### **14. Source of Additional shares**

Additional Shares to be acquired by Participants under the Plan may, at the Directors' discretion, be:

- (i) new Shares issued by the Company; or
- (ii) existing Shares acquired by a nominee or agent of the Company; or
- (iii) existing Shares acquired by the Company by means of a Share repurchase; or
- (iv) any combination of (a), (b) and (c) above.

Any Share repurchase will be subject to the requirements of the Constitution and other applicable laws.

## **15. Termination, Suspension or Modification of the Plan**

- a) The Board may, in its sole discretion, at any time terminate, suspend or modify the Plan. If the Plan is modified, then a Participation Form will be deemed to be a Participation Form under the Plan as modified unless that Participation Form is varied or withdrawn by the Participant in accordance with clause 16.
- b) You will be sent written notice by the Company of any modification or termination to the Plan at your address or electronic mail address (if you have elected to receive communications electronically) as set out in the Company's share register prior to the Record Date on which any modification or termination will take effect, unless the Company:
  - (i) modifies or terminates the Plan to comply with the Constitution or any applicable law; or
  - (ii) makes minor amendments to the Plan where such amendments are of an administrative or procedural nature,

in which case no notice need be given.

## **16. Variation or Termination**

- a) A Participant may at any time, by completing and sending a Notice of Change or Withdrawal to the Company or to the Registrar, Computershare Investor Services online at [www.investorcentre.com/nz](http://www.investorcentre.com/nz). A completed Participation Form can be forwarded directly to the Registrar. Participation Forms are available online or from the Registrar upon request.
  - (i) increase or decrease the number of Participating Shares participating in the Plan; or
  - (ii) terminate participation in the Plan.

Such alteration or termination will take effect immediately upon receipt by the Share Registrar of a Notice of Change or Withdrawal. A properly completed Notice of Change or Withdrawal will need to be received by the Share Registrar prior to a Record Date in order for that variation to be effective in respect of dividends payable in relation to that Record Date.

- b) If a Participant dies, participation by that Shareholder will be terminated upon receipt by the Company of a notice of death in a form acceptable to the Company. Death of one of two or more joint holders will not automatically terminate participation.

## **17. Reduction or Termination of Participation where no notice given**

- a) Where a Participant with partial participation disposes of part of its holding of Shares then, unless the Participant advises the Company otherwise:
  - (i) the Shares disposed of will be deemed to be non-Participating Shares from the date the Company registers a transfer of such Shares; and
  - (ii) if the number of Shares disposed of is more than the number of the Participant's Shares not participating in the Plan, the disposal will be deemed to include all the Participant's Shares not participating in the Plan, and the balance, if any, will be attributed to Participating Shares.
- b) If a Participant with full participation disposes of part of his or her shareholding without giving the Company notice of termination of participation in the Plan, the Participant will be deemed to have terminated Participation with respect to the disposed of Shares from the date the Company registers a transfer of such Shares.
- c) If a Participant disposes of all of his or her Shares without giving the Company notice of termination of participation, the Participant will be deemed to have terminated his or her Participation in the Plan from the date the Company registers a transfer of such Shares.



## 18. **Directors Discretion**

The Directors may at any time and from time to time at their sole discretion resolve:

- (i) the price at which additional Shares are to be issued;
- (ii) that participation in the Plan will be suspended or will not apply to the whole or a part of any dividend and that the dividend or the balance of the dividend (as the case may be) will be paid in cash, including where the issue of Additional Shares to a Participant would breach the Company's share limit in place from time to time (being the maximum number of Shares that may be held by a shareholder);
- (iii) that a Participation Notice will cease to be of any effect;
- (iv) that the terms and conditions of the Plan be modified or terminated. If the plan is modified, then a Participation Notice will be deemed to be a Participation Notice under the Plan as modified unless such Participation Notice is subsequently changed or withdrawn by the Participant;
- (v) in the event of the subdivision, consolidation or reclassification of Shares into one or more new classes of shares, that a Participation Notice will be deemed to be a Participation Notice in respect of the Shares as subdivided, consolidated or reclassified unless such Participation Notice is subsequently changed or withdrawn by the Participant; and
- (vi) determine that shareholders in specific jurisdictions outside New Zealand may participate in the Plan.

## 19. **Governing Law**

The Plan, its operation and this Offer Document will be governed by the laws of New Zealand.

## 20. **Dividend Policy**

A copy of the Company's current dividend policy can be found on its website at [www.eastpack.co.nz](http://www.eastpack.co.nz).

## 21. **Other Information**

All terms and conditions of the Plan, and of the Shares being offered under the Plan, are set out in this Offer Document other than those implied by law and those contained in the Constitution. The Constitution can be downloaded from the Companies Office website at [www.business.govt.nz/companies](http://www.business.govt.nz/companies) and the Company's website at [www.eastpack.co.nz](http://www.eastpack.co.nz).

Copies of the most recent Annual Report and Financial Statements of the Company, may be obtained by Shareholders free of charge by writing to the registered office of the Company at:

### **EastPack Limited**

1 Washer Road

Te Puke

New Zealand

Alternatively, you can obtain electronic copies of these reports from the Company's website at [www.eastpack.co.nz](http://www.eastpack.co.nz)

## Tax considerations

This section reflects the relevant New Zealand tax law as at the date this Offer Document was prepared, and, as such, is subject to any change in New Zealand taxation laws. It is intended as a general guide only and is not an authoritative or complete statement of all potential tax implications for each Shareholder. Taxation is a complex area of law and the taxation consequences for each Shareholder may differ depending upon their particular circumstances. Accordingly, you should consult your own tax adviser as to the taxation implications of the Plan. The Company does not accept any responsibility for the financial or taxation effects of your participation or non-participation in the Plan.

For New Zealand tax purposes, New Zealand resident Shareholders who reinvest the net proceeds of their cash dividends to acquire Additional Shares via participation in the Plan should be treated in the same way as if they had not participated. This means that New Zealand resident Shareholders who participate in the Plan should derive dividend income of the same amount that they would have derived had they not participated (i.e. they will be treated as receiving a taxable dividend from the Company which is then applied to acquire Additional Shares under the Plan).

The dividend treated as being received, together with the amount of any attached imputation credits, will be taxable to the Shareholders at their respective marginal tax rates. The Company may deduct resident withholding tax from the dividend. Where the dividend paid by the Company carries imputation credits, the resident withholding tax liability will be reduced by the amount of the imputation credits.



## Definitions

In this Offer Document, the following terms have the meanings set out below, except where the context requires otherwise.

### **Additional Shares**

Shares to be issued or transferred under the Plan.

### **Business Day**

a day, other than Saturday or Sunday or a public holiday, on which registered banks are open for business in Auckland.

### **Company**

EastPack Limited.

### **Constitution**

The Constitution of the Company (as amended or replaced from time to time).

### **Directors**

The Company's Board of Directors.

### **Notice of Change or Withdrawal**

The Notice of Change or Withdrawal in the form available from the Share Registrar or the Company upon request.

### **Participant**

Any eligible Shareholder who has completed (and has not withdrawn) a Participation Notice which has been accepted by the Directors.

### **Participating Share**

A Share registered in the name of a Participant, the dividends on which are subject to the Plan.

### **Participation Notice**

A Participation Notice accompanying this Offer Document as approved by the Directors.

### **Plan**

The Company's Dividend Reinvestment Plan established by the Directors pursuant to the Constitution on the terms and conditions set out in this Offer Document, as amended from time to time.

### **Record Date**

5:00 pm on the date fixed by the Company for determining entitlements to dividends payable on Shares.

### **Share Registrar**

Computershare Investor Services Limited.

### **Shares**

Fully paid ordinary shares in the Company.

### **Sharemart**

The electronic order matching system operated by the Share Registrar.